



Electronic Product Code

Transforming the Supply Network

DoD RFID Summit for Industry

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A Few Words About P&G Worldwide

- \$43.4 billion in sales
- Approximately 300 brands in more than 160 countries
- Approximately 98,000 employees



The Long Term Vision...

TODAY

Anti-theft

RF
AM
EM
(Current EAS)

Anti-Counterfeit

Security Taggants (Inks)
Security Printing
Foil/Holograms
Etc...

ID

UPC, EAN
2-D Bar-coding
RFID
EPC

TOMORROW

Universal Source-Tagging System Standard (EPC – Electronic Product Code)

Tags: Multi-functional, discreet, flexible, applied in-line
Physical objects communicate in real time



Why is P&G Interested in EPC?

EPC is about putting the right product, in the right place, at the right time, at the right price!

The Consumer is Boss – Two Moments of Truth

When the consumer
wants to buy –
typically at the
retail store

When the consumer
uses the product

You cannot win at the first
moment of truth if you are not there!



EPC is a Key Enabler for:

- Overall Shrink Reduction
- Improved Shelf Availability
- Reducing Shipping and Receiving errors
- Productivity from non-line-of-sight capabilities
- Asset tracking
- Anti-counterfeit
- And... transformational benefits
 - Manufacturing applications, in-bound logistics applications
 - At item level—brand loyalty, research applications



P&G's Current Approach to EPC

1. We want to continue to play a lead role in the industry to understand how the technology creates value for both the retailer and the manufacturer.
2. Benefits at the pallet and case level within our four walls are 'incremental' versus breakthrough, because of our current efficiencies.
3. Tag cost projections are clearer and are still above target price points.
4. Biggest benefits require collaboration between trading partners.
5. For us to take full advantage, the technology needs to continue to develop.
6. Pilots/trials must drive toward specific learnings and success criteria – validating business case (focus 2004).



EPC-What are we doing to get ready?

1. Central Multi-functional team

2. EPC-Supply Chain Performance Testing

- Understand customer performance requirements
- Cost and performance assessment
- Pallets (sled) and Cases (conveyor)

3. EPC Systems and Standards

- Continue to support development of EPC system Infrastructure
- Continue to explore/understand data integration and IT architecture requirements
- Continue to support global work



EPCglobal 

Challenges

There is still much work to do...

Standards – Drive to world-wide standards

Consumer/Shopper – Respond to consumer concerns
(e.g. privacy, health & safety)

Costs – Tag and reader cost reduction

Technology Development to address:

- Tag and reader interoperability
- Cost/performance balance
- Country-specific regulations
- IT Infrastructure requirements
- RF properties with metals and liquids

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.....**Thank you**

